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ture of the contract. The court applied the correct law but based its decision upon the reasoning that the *lex loci contractus* governed the case.

It would seem that even though the contract had been made in a state other than Pennsylvania, if the action were properly brought there, the law of Pennsylvania must have been applied, since the law of the forum governs, and not necessarily the law of the place where the contract is made. The court in basing its decision upon the ground that the *lex loci contractus* governed would seem to negative this conclusion.

CORPORATIONS—EQUITY—DISREGARD OF LEGAL FICTIONS.—The defendant was a holding corporation, owning controlling interests in eight other corporations; the chief officers of the holding corporation filling practically all of the chief offices in the other corporations. The plaintiff, a stockholder in the defendant corporation, filed a bill to compel the defendant to produce not only its own but the books of the other companies for discovery, fraud being alleged. *Held*, the defendant must produce the books for discovery. *Martin v. D. B. Martin Co* (Del.), 88 Atl. 612.

A corporation ordinarily is a legal entity distinct and separate from its stockholders. *Button v. Hoffman*, 61 Wis. 20, 20 N. W. 667, 50 Am. Rep. 131. But to prevent fraud, equity will disregard the legal fiction of a separate individual and consider a corporation as an association. *First Nat. Bank v. Trebein Co.*, 59 Ohio St. 316, 52 N. E. 834.

Thus it has been held where two separate corporations are controlled by the same directors, their corporate individuality will be disregarded to the extent of annulling contracts between them. *Bill v. Western Union Tel. Co.*, 16 Fed. 14. And when several corporations transfer their property in exchange for stock in a new company an original stockholder may maintain an action directly against the new company for stock. *Anthony v. American Glucose Co.*, 146 N. Y. 407, 41 N. E. 23. It is settled that a stockholder always has the right to examine the books of the corporation upon a reasonable demand. *Com. v. Phanix, etc., Co.*, 105 Pa. St. 111, 51 Am. Rep. 184. And although there seems to be no direct authority for such an order as was granted in the principal case, yet by analogy to the above and other authorities it would seem that it was properly granted.

CORPORATIONS—TRANSFER OF ASSETS—RIGHTS OF CREDITORS.—A corporation pending a suit against it by creditors, transferred all of its property to a second corporation which latter assumed payment of some of the former's debts but not those which were the subject of the pending suit. In consideration of such transfer, the purchasing corporation issued its own stock to the stockholders of the selling corporation. The creditors of the selling corporation brought suit to subject the transferred property in the possession of the purchasing corporation to the payment of their debts. *Held*, such property is a trust fund and can be followed and subjected to the payment of the debts. *Jennings Neff & Co. v. Crystal Ice Co.* (Tenn.), 159 S. W. 1088.

While the ultimate result reached in the principal case is undoubtedly